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FOREIGN AGRICULTURE

SEPTEMBER
1959

Land Reclamation in India

U.S. Agricultural Pioneers Abroad
World Coffee Supplies Are Rising
The New York and Moscow Fairs
Agricultural Progress in Far East

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FOREIGN AGRICULTURE

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To report and interpret world agricultural developments.

Learning About World Agriculture

Some of our favorite readers rejoin us this month. We refer, of course, to the thousands of college students who are returning to their classrooms across the land.

Courses in World Agriculture today are part of the studies offered in many institutions of higher learning. We would judge that any student of economics, political science, and international relations would find such a course a rather essential part of his curriculum.

A primary objective of higher education is to give the student a broader look at the world in which he lives. That world, industrialized though parts of it have become, nevertheless is an agricultural world for two-thirds of the people living in it. Part of the world's unrest stems from efforts of agricultural countries to become more industrialized. To understand today's tensions, the student often needs to start with world agriculture itself.

We are pleased and proud that *Foreign Agriculture* has come to occupy a recognized place in classrooms across the United States as a primary source of reliable information on world agriculture. We shall do our best to continue our tradition of service. We invite suggestions from students of world agriculture as to how we can be of further assistance.

Cover Photograph

Indian farmer looks on as tractors pull heavy-duty plows through kans-grass-infested field. In the past decade, India has reclaimed from this aggressive perennial several million acres of land that would otherwise be useless. Of all the free Far Eastern countries. India has had the longest experience with formal planning for agricultural development. (See story on page 7; photograph from World Bank.)

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Paris Exposition, 1889. At this and other fairs, Charles Murphy sang the glory of U.S. corn. Today, the United States continues to make international use of fairs in promoting exports of U.S. products.

U.S. Agricultural Pioneers Abroad and Their Problems

Handicapped by unsurmountable difficulties, these early agricultural experts rarely achieved all they set out to do. But by sharing their knowledge with foreign countries, they were the forerunners of today's technical assistance experts.

By Kendall Birr
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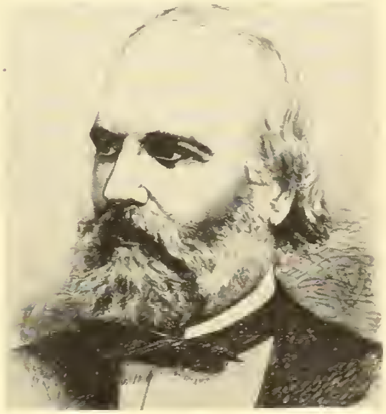

Above, Dr. J. Lawrence Smith; inset, Dr. Horace Capron. Both pioneered in technical aid to agriculture overseas.

It is common knowledge that in the middle of the twentieth century American agricultural experts pop up in all kinds of unlikely places scattered over the face of the globe. It is perhaps less well known that American experts have been going overseas for more than a century to provide technical assistance in agriculture. In the nineteenth and early twentieth centuries such experts could be found in Turkey, China, Japan, a number of Latin American countries, and elsewhere. They did everything from promoting the use of American corn in Europe to utilizing American methods in the expansion of agriculture on Japan's northern frontier.

Take for example Charles J. Murphy, a forerunner of today's market development experts. Murphy, a veteran of the Mexican and Civil Wars, was an ex-brewer and wine merchant. At one point in his brewing operations he experimented with corn and became so entranced with its qualities that he devoted most of the rest of his life to its promotion. In the 1880's he toured Europe on his own, promoting corn at European exhibitions and lecturing to whoever would listen. His was a family enterprise: his wife wrote cookbooks revealing the secrets of corn dishes; his son translated them into various languages; and his daughter contributed her typing skill to the enterprise.

Eventually Murphy persuaded Secretary of Agriculture Rusk to give him a commission as an agent of the Department. Thus fortified he returned to Europe with renewed confidence. There in the 1890's he conducted banquets which served corn muffins, corn mush, and corn fritters; introduced a

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Mr. Birr is co-author with Professor Merle Curti of the book *Prelude to Point Four*, on which this article is based.

corn-rye bread (which was called "Murphy brot") to the German military forces; and generally tried to convey his own enthusiasm for corn to everyone with whom he came into contact. Murphy argued that his efforts had important results, and he pointed particularly to increased exports of U.S. corn to Germany. Ultimately, however, he was doomed to failure, for when a severe drought curtailed the U.S. corn crop, Secretary of Agriculture J. Sterling Morton in 1895 canceled his commission.

Agricultural Assistance

Most American agricultural experts abroad were less concerned with promoting the sale of American agricultural products than with providing expert assistance to foreign agriculturists who had requested it. In 1846, for example, the Sultan of Turkey asked the American Secretary of State to recommend two or three scientific agriculturists to introduce improved cotton culture into his realm. Dr. James Bolton Davis, a successful South Carolina planter, and Dr. J. Lawrence Smith, a well-trained chemist and likewise a South Carolinian, were selected for the job. Davis had only moderate success in introducing new types of cotton cultivation and in raising Angora and Cashmere goats. Ill, he was glad to return to the United States with the termination of his contract. Smith, who arrived after Davis, stayed on for some time, but he devoted his talents less to agriculture than to geology and mining operations.

The Far East was an area that saw several important agricultural missions. When the Meiji government in Japan in the 1870's decided to colonize the northern island of Hokkaido, it turned to the United States for technical aid. The Japanese representatives, after consulting President Grant, selected Horace Capron, Commissioner of Agriculture, to head the mission. Though Capron was already 67, he undertook the job with alacrity, chose a staff, and set sail for Japan in the summer of 1871. He was to remain there for 4 years. Members of the Capron mission made innumerable surveys, established model farms, imported American plants and livestock, established agricultural schools, and carried on various projects for the development of Hokkaido. When Capron returned to America, the Japanese warmly commended him for his work and gave him the highest decoration conferred on a foreigner to that time.

On the mainland of Asia other Americans rendered similar aid to the Chinese. In north China, for example, a progressive Chinese viceroy employed Gerow Brill, a New York farmer, who had been recommended by the heads of Cornell University and the Cornell Experiment Station. Brill prepared himself thoroughly in this country and then left for China in the fall of 1897. During his 2-year stay he did much as Capron had done in Japan, though on a smaller scale: imported U.S. seeds, plants, and agricultural machinery; established a model farm; and developed an agricultural school. But, unable to get cooperation, Brill gladly terminated his contract ahead of time and spent his remaining months in the Far East as an agent of the U.S. Department of Agriculture, collecting seeds and specimens and reporting on agriculture in China.

In the twentieth century other Americans worked to improve agriculture in Cuba, Haiti, and the Dominican Republic during the American occupations of these countries, though the record of the American occupations with respect to agriculture fell below the level of American achievement in other fields such as public administration and transportation.

Barriers Encountered

The problems which these early agricultural missions met would sound familiar to a twentieth century Point Four expert. Languages proved a difficult barrier on numerous occasions. How could one teach agriculture to students who knew no English? Such was Gerow Brill's problem in China in the 1890's. And when he tried to solve the problem by teaching through an interpreter, it became clear that the interpreter had absolutely no idea of what he was translating. Similarly in Japan, Capron discovered that it was difficult to convey shades of meaning through interpreters; numerous misunderstandings arose from such problems of communication. So in Haiti in the 1920's: Haitian critics of the American program of agricultural education there charged that most of the American instructors were incompetent because they knew no French or Creole.

Just as difficult as the language problem was the business of working with an unfamiliar and often uncooperative bureaucracy. Red tape seemed to be everywhere; it was by no means an exclusive product of advanced countries. When Dr. J. Lawrence Smith tried to conduct some surveys in the countryside during his mission to Turkey in 1846 he complained that he was accompanied by persons "sent rather to watch my movements than to afford assistance." And like Brill in China, Capron in Japan expressed exasperation at the superabundance of officials in every enterprise.

Cultural Conflicts

At times the problems of getting things done in strange lands with unusual customs gave rise to amusing incidents. In Turkey in 1846 when Dr. James Davis completed his mission, he exited from his final audience with the sultan by abruptly turning his back on the potentate and walking out. Fortunately the sultan was amused rather than insulted by Davis' democratic manners.

In Japan, one of Capron's assistants, Edwin Dun, was called upon to demonstrate some new farm machinery to the young emperor. He was instructed to conduct the demonstration in the costume always worn by Westerners at imperial audiences. The young American thus found himself reaping barley and wheat, cutting rye grass, drilling wheat and planting corn, and operating a steam thresher, all the time attired in boiled shirt, white tie, and top hat. Later, relaxing with a beer after a good bath, Dun was informed that the emperor was waiting to receive him. There was nothing for him to do but to don his sweaty formal clothes, present himself to the emperor in a nearby pavilion, make his three bows, and back himself out.

Other examples of cultural conflict were more distressing than amusing. Some of the foreigners had inordinately high expectations of their Amer-

(Continued on page 14)

World COFFEE Supplies Are Rising

By JOHN C. SCHOLL, Import Division
Foreign Agricultural Service

Above, experts grade samples of green coffee; left, washing depulped coffee beans in Kenya; and left below, Guatemalan coffee is sun-dried in patio.

World coffee production continues to increase. Consumption, too, is increasing, but much slower. This means a further buildup in supplies and further serious marketing problems for the exporting countries.

Carryover stocks in all positions on September 30, 1959, the end of the 1958-59 coffee season, are expected to be about 35 million bags (of 132.276 pounds each). This, plus a prospective crop of 66 million bags, indicates a considerable increase in carryover by September 30, 1960. Statistically. it looks as if the stocks held by exporting countries at the end of 1959-60 will be equivalent to at least one year's usual world exports. Most of these large stocks are held by Brazil, and to a lesser extent, Colombia. These are the world's largest producers.

A number of factors contribute to the upward trend in coffee production. Coffee prices were high in the mid-1950's; world supplies were temporarily short then, in part because of the 1953 and 1955 frosts in Brazil. These high prices provided an impetus for large plantings, not only in Brazil but in other countries as well. It is these plantings that are now coming into production.

Nearly all major producing countries are stepping up programs to improve cultural practices. This includes growing coffee with less (or no) shade, planting improved and higher yielding varieties, fertilizing more heavily, and using more effective pruning practices. All of these tend to increase yields per tree.

Another important part of the world coffee picture has been the dramatic increase in African production, which has more than doubled since 1950. Africa now exports close to one-fourth of the world's total.

The continued buildup in coffee surpluses, especially in Brazil, has created one of the world's most serious agricultural marketing problems. Falling coffee prices and the fear of further declines have serious economic and political aspects. This is a matter of concern, not only to the producing countries but also to the United States, the world's largest consumer.

Coping With the Problem

The big question is what can or should be done to cope with the problem. Should the law of supply and demand be permitted to operate freely, supplies would continue to build up and prices drop until many growers, especially marginal ones, would go out of coffee. This "up and down" cycle accompanied by sharp price variations is not in the best interests of either exporting or importing countries. A reasonable amount of stability in price provides economic strength for growers and a stable supply for consumers.

In the 1930's and 1940's a situation somewhat similar to the present one existed when world production, mostly in Brazil, greatly exceeded consumption. Large surplus stocks resulted. During this period, Brazil burned, used as locomotive fuel, or destroyed outright some 78 million bags of coffee. Everyone hopes that a more realistic solution can be found.

Coffee is the big money crop and the nerve center of the economy in major coffee countries. They depend upon the revenue derived directly or indirectly from coffee exports for a large part of the cost of operating their governments. Coffee is the big exchange earner in many countries, the value of world exports exceeding that of any other single agricultural commodity. Declining coffee prices reduce the purchasing power and abilities of these countries to buy from the United States and other countries.

Producing countries realize that relative stability in prices is desirable. They also realize the risks involved in a "one-crop economy," and the need to diversify so as to depend less upon coffee. Programs aimed at shifting to other crops have led to much discussion and some very limited progress. However, any program to curtail production, such as the removal of productive trees, would pose serious internal and political problems for the producing countries. Coffee is a tree crop. After planting, the trees take several years to get into production. Thus, a sudden shift away from coffee would be expensive. Also, many growers who have become proficient in coffee growing would have difficulty in finding alternative crops that would give them immediate profits. So far, coffee has generally been profitable to growers and they are reluctant to take out productive trees voluntarily. It is true, however, that only very limited new areas are now being planted.

Everyone agrees that some steps will ultimately have to be taken to bring supplies more nearly in balance with requirements. Otherwise, the lack of adequate storage facilities and the cost of constructing new space, together with the cost to governments of financing, holding, and storing stocks that are continually on the increase, would eventually cause a crisis.

Consumption

One school of thought is that the present big surpluses are the result not so much of overproduction as of underconsumption. Efforts to increase consumption are apparently making some progress. World exports of coffee in 1959 are likely to be at least 5 percent higher than the 36.8 million of 1958. Consumption is increasing somewhat in both U.S. and European markets. In the United States, it totaled 20.8 million bags in 1958, and roastings thus far in 1959 have been about 4 percent above the comparable period in 1958. Coffee roasters in importing countries now have a wide choice of quality coffees at prices highly acceptable both to them and to their customers. Coffee prices dropped about 20 percent during the 1958-59 season and are now only about half of the record high level in 1954.

In the producing countries also, programs to promote and increase domestic consumption are receiving considerable attention. Several important Latin American countries are fixing prices to roasters and retailers at levels more nearly in line with the ability of larger segments of the population to purchase. Also, some countries are requiring that coffee of better quality be used for domestic consumption. It is too early to appraise the effectiveness of these programs, but they should lead to some increase in consumption. Currently, the average annual per capita consumption in Latin America is around 5 pounds compared with 16 in the United States.

Greater interest in instant coffee throughout Latin America could contribute to increasing coffee consumption in this part of the world, which produces 80 percent of the total coffee crop. This is true even though instant coffee provides more cups per given unit of green coffee. Some people who heretofore drank almost no coffee are being attracted to instant because of its convenience in preparation. In the United States, it accounts for approximately 17 percent of total coffee consumption (green coffee basis).

Efforts have been made to develop new uses for coffee and its byproducts, particularly in Brazil. Coffee pulp has been found to contain some useful organic matter when used as fertilizer. Caffeine and oil can be extracted and plastics made from coffee, and it has some possible value as a binder for cement. While these discoveries have long-range possibilities, it is not yet economically feasible to use coffee for such purposes. However, experiments continue and funds are being appropriated for further research in this field.

Coffee Agreement

In an effort to attain some price stability in coffee during the 1958-59 season, 15 Latin American countries signed an agreement to stagger their exports during the season and to hold back designated quantities of their production from export channels. The general feeling is that this agreement was partially successful as a price-stabilizing device. Even though prices dropped 20 percent during the season, they would probably have dropped more in the absence of an agreement.

As this article went to press, representatives of the Latin American coffee countries were meeting in Washington, working toward a new agreement to replace the present one, which expires on September 30. Most of them seemed to agree in principle to a fixed export quota arrangement for 1959-60, with further efforts to induce African producers to participate.

Agricultural Development In Free Countries of Far East

By QUENTIN M. WEST
Far East Analysis Branch
Foreign Agricultural Service

All but one of the 16 free Far Eastern countries [1] have long-term economic development programs with the same broad goal—a more efficient use of human and natural resources and a higher level of living. Throughout this vast area, agriculture is the base upon which any industrial and other economic superstructure must be built.

These 16 countries contain 45 percent of the Free World's population; and 70 percent of all their people are engaged in farming. Yet they produce only 26 percent of the world's crops and livestock. The area's most important crop is rice; it produces 90 percent of the Free World supply. Traditionally, it has been a supplier of agricultural raw materials to Europe. It still furnishes most of the world's rubber, jute, tea, and spices, as well as much of the sugar and vegetable oils. In food grains, there has been a dramatic trade shift. The Far East had net exports of almost 3 million tons of grain 25 years ago, but it must now import over 10 million tons.

Before World War II, only two countries of the Far East were completely independent; the rest were colonies of other nations. Throughout their history, a large part of these peoples had been living at a subsistence level, and it was an accepted part of their existence that thousands would die in times of plague or famine.

The rural people of the Far East still are generally illiterate; per capita farm income is exceedingly low—less than $50 a year in many areas; and arable land per farm ranges between 2 and 5 acres for these countries. Some of the new farm techniques of the developed areas have taken root in the Far East, but principally on large plantations operated by Europeans or other large landholders. The majority of farmers cling to outdated methods.

Economic Development

With political independence has come a demand for economic progress and social improvement. Burma and Taiwan have 4-year economic development plans; 12 other countries, 5-year plans; and Ceylon recently approved a 10-year plan. India, Taiwan, and Afghanistan are all in their second plan periods. Thailand is the only country without a formal plan.

Most of these plans include all sectors of the national economy, but agricultural development receives considerable emphasis. Large-scale programs have been undertaken for increasing farm production by such methods as expansion of irrigation, increased use of fertilizers and insecticides, improved seeds, mechanization, land reform, and extension services.

Despite delays in getting under way, most of the countries have made a real start on their economic development programs and can demonstrate considerable success. In 1958, total agricultural production in the non-Communist Far East was 12 percent higher than in 1952-54 and 26 percent higher than before the war. However, on a per capita basis, these percentages drop to 4 and minus 5 respectively. The index of industrial production was up 60 percent over 1953; the volume of trade, about 40 percent. Per capita income showed a substantial increase in most countries.

India As An Example

India, representing 51 percent of the non-Communist Far East's population and 45 percent of its agricultural production, has the most comprehensive plan in the region. Since it has now finished the third year of its second 5-year plan, its long experience best demonstrates the progress and problems of agricultural development under formal plans in the Far East.

In 1951 India embarked on its first 5-year plan. Government expenditure for plan projects during this period was approximately $4.4 billion. Of this, 14 percent was spent on agriculture, 31 percent on irrigation and power, 4 percent on industry, 27 percent on transport, and 24 percent on social services. In addition, private investments supplied over $3 billion.

At the beginning of the period the production of food grains and many of the principal commercial crops was well below minimum needs. In food grains alone, the 1950 deficit at the existing low per capita level of consumption was more than 3 million metric tons. The following percentage increases in production were planned: Food grains 14, cotton 42, jute 63, oilseeds 8, and sugarcane 12. Only jute and sugar failed to reach the target level by the end of the period, and food grains exceeded the 1955-56 target level by 1953-54. In most respects, the first 5-year plan was considered to have been successfully completed. India thought it was well on the road to self-sufficiency in farm output.

But the very successes attained in economic development and social improvement have brought on some of the serious problems now facing India and other countries of the Far East. Improvement of health and sanitary conditions has set off a virtual population explosion throughout the area. Most of the countries are growing at the rate of 2 to 3 percent per year; only Japan and Burma are maintaining their growth at about 1 percent.

India held its population almost stable for a long period until 1920. Between then and 1950, the population increased at a rate of 1 percent. But since 1950, the rate of increase has reached 2 percent, and it may even go higher. At 2 percent, India is adding 8 million people each year, and must therefore add about a million tons of food grains to its food supply each year for population growth alone.

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[1] Afghanistan, Pakistan, India, Nepal, Ceylon, Burma, Thailand, Laos, Cambodia, South Vietnam, Malaya, Indonesia, the Republic of the Philippines, Taiwan, Japan, South Korea.

But population growth is not the whole story. With economic development and some increase in productivity, per capita incomes have increased slightly throughout the Far East. And since a large proportion of the population is at the subsistence level, much of this increased income has gone for food. During the first 5-year plan in India, per capita income increased about 10 percent, from $56 per year to some $62. It is estimated that during the 3 years ending this June, average daily food consumption in India increased about 100 calories per capita. This represents less than an extra one-sixth of a cup of rice per person per day, but added together it means another 5 million tons of rice each year.

Production Lag

At the same time that the consumption of agricultural products has increased so sharply in the Far East, agricultural production — except for that of Japan and Taiwan—has not increased nearly so much as had been planned. This lag was due partly to poor weather in 1957 and 1958, partly to delay in completing irrigation and other land reclamation projects, partly to difficulty in obtaining enough fertilizer. But an overriding reason was the whole problem of changing the agricultural techniques of illiterate farmers with small plots of land and limited financial resources.

An important purpose of Far Eastern agricultural development plans is to increase foreign exchange earnings so as to provide funds for further development. However, much of the greater production that was designed for export has been used at home, and imports for consumption have increased instead of decreasing. India's food-grain imports were more than 4½ times as large in 1958 as in 1955.

Because of this unexpected increased consumption, many Far Eastern countries now have serious unfavorable foreign exchange balances. Most of them suffered declines in foreign exchange reserves between 1956 and the end of 1958; India's fell to almost a fourth of the 1955 level. Exceptions were Malaya, Taiwan, Thailand.

An agricultural production team sponsored by the Ford Foundation recently went to India to study the country's food crisis and recommend steps to meet it. The team observed that Indian grain production will not reach the target level of 81 million tons in 1960-61, the end of the second 5-year plan. Furthermore, the projected goal of 110 million tons could not be attained by 1965-66 "unless an all-out emergency programme is undertaken" in agricultural development. The team noted that if agricultural production increases only at the present rate, India will be short about 28 million tons of food grains by that time, and that an import program of this size would be economically and physically impossible. Even if the requirements projected by the Ford Foundation team are overestimated, as is felt in some circles, the problems are still crucial.

Problems of Other Countries

These are the general problems in economic development which face all countries in the Far East. But there are differences from country to country. India's problems seem especially severe because of the intense pressure of the people upon the land. Yet India has a stable government, has done some wise planning, and made a serious effort to implement its economic plan.

Pakistan, also faced with a large population problem, has not been able to move ahead with economic development as India has. Some of the difficulty has been attributed to the lack of a strong central government. With the change in the government last fall, more action may be possible.

Burma, Thailand, Vietnam, Cambodia, and Laos have a somewhat different problem in that their populations are relatively sparse. Land is more abundant, and these countries have traditionally been exporters of foodstuffs. Agricultural development has moved slowly here; life is fairly easy for the farmer, since he can produce enough for his family and for a little cash with one crop. Furthermore, prices paid to the rice producer have been low, so he has not had a strong motive to raise his output.

Malaya appears to have done some wise though conservative planning. Upon receiving independence, it retained its British advisers, and economic development has proceeded on a well-organized basis. Rubber plantations are being improved, agricultural areas expanded, and production diversified. Foreign exchange earnings from rubber and tin remain good.

Indonesia has had serious difficulties. One of its major islands, Java, has extreme population pressures. After the country's long struggle for independence, Dutch civil servants and technicians no longer had a useful place in its development. Civil war has disrupted agricultural production and the large volume of smuggling costs the government much of its potential income from exports.

The Republic of the Philippines also is having difficulty with its economic development, in part as the result of inadquate planning. Its reserves of foreign exchange are about half of the 1954 level.

Bright Spots

Two bright spots in the agricultural development of the Far East are Japan and Taiwan. Japan had reached a high level of farm production before World War II. Production fell during the war, but by the early 1950's had returned to the prewar level, and by last year was 54 percent above prewar; per capita production exceeded prewar by almost 20 percent. Taiwan has increased its farm production about 20 percent beyond the 1952-54 level. Per capita production, however, has not increased, for the tremendous influx of refugees from the Chinese mainland has almost doubled the population.

Most of the increased production in Japan has resulted from greater yields rather than expanded agricultural area. Rice yields are more than three times the average for the Far East and over four times the yield in India. This has been accomplished through emphasizing the use of fertilizers, improved varieties, and more modern farming techniques. Historically, agriculture in Japan has been labor-intensive; but recently there has been

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Citrus auction in Le Havre at which California Valencias brought very good prices. Sample cases were examined in advance at nearby warehouse.

French Importers Auction Oranges

This year summer oranges are being sold at auction at three of France's major ports, as one of the conditions laid down for freeing them from import restrictions; and sales have gone very well.

By W. GARTH THORBURN
Assistant U.S. Agricultural Attaché, Paris

For the first time in France, citrus is being sold at auction this year at the port of entry before clearing customs. France now permits the importation of summer oranges (June 15 to September 15) without import licenses and in unlimited quantities. One of the conditions under which these liberalized imports are allowed, however, is that at least two-thirds of each shipment shall be sold at auction.

Accordingly, June 15 witnessed the beginning of regular citrus auctions, to be held at Le Havre, Rouen, and Dieppe. At Le Havre the Union Fruitière is the organization authorized to conduct the sales; at Rouen and Dieppe, it is the Syndicat du Commerce International des Fruits et Légumes that holds them. Although they were primarily set up to handle imports of summer oranges—chiefly from California, Brazil, and South Africa—any other citrus may be sold there. At each sale, an importer may hold out a third of his total imports; he may also bid on his own fruit; and if he is a wholesaler, he may keep his third and then buy more fruit at the auction.

From what I observed during a visit to the second sale at Le Havre, here is the way the system operates.

About an hour before the sale begins, the fruit to be sold may be inspected by the prospective buyers. They come from all over France as well as from other Common Market countries and from England. In an air-conditioned storage warehouse next to the amphitheatre, 4 or 5 open cases from each lot of about 250 are displayed in front of the rest of the lot, which remains unopened.

At auction time, each importer in turn goes to the auction stand, accompanied by two assistants who record sales and prices. There they join the representative of the auction company, who keeps the official records. The importer announces what kind of fruit he has to sell and the size, origin, and starting price of each lot. Then he offers his lots in numerical order, beginning with the lowest. Sales are final when the hammer goes down.

The buyer is permitted to take possession of his purchase half an hour after his bid has been accepted. An auction-room employee telephones the storage warehouse that Mr. X has bought lot No. thus-and-so of the fruit imported by Mr. Y. That lot is immediately taken out of the warehouse and loaded onto Mr. X's truck or freight car. Mr. X himself may remain in the auction room to buy more fruit.

Prices at this auction were unusually high. For example, a lot of Californian Valencias, announced as "medium size, good color, firm, with high juice content," might start at 2,500 francs per carton of 32½ pounds and sell at 2,600. Feeling among the importers was that even if prices should fall as low as 2,200 francs, they would still make a profit; and most of them plan to sell all their imports of summer oranges through these auctions.

How Australia's Pastoral Industry Copes With Its Forage Problems

By GROVER J. SIMS
Livestock and Meat Division
Foreign Agricultural Service

Next to the weather, Australian farmers talk most about grass. When I was visiting Australia earlier this year, the subjects frequently came up together, for recurring droughts are one of the main problems of the pastoral industry there—and that industry is vital to Australia's commerce.

I came to the conclusion that though nobody can do much about the weather, Australia is doing a great deal about grass, in the sense of livestock forage and ways to improve and increase it. Pastoral production is now a third higher than before World War II; meat production is establishing a new record this year; and this is only a part of what could be produced. Experts disagree on how fast the pastoral industry can grow; some foresee a doubling of Australia's livestock output in the next 20 or 30 years. But all agree that a large potential exists.

Australians are using fertilizer and improved varieties to step up the quantity and quality of their pasturage. They are working to increase hay crops. They are developing supplementary feeds. They are reclaiming sandy areas on the coasts, continuing to clear the great brigalow scrub areas of Queensland and New South Wales, and putting lands of both kinds to grass and legumes. And, of course, they are working hard to conserve all the water that flows or falls in the country.

Increasing Forage Production

In this land of droughts that come in cycles and of wide regional fluctuations in annual rainfall, the problem of maintaining feed supplies is chronic. Drought leads to death losses and forced marketing of livestock. So, in times of good rainfall, there may be more feed than can be utilized by the number of livestock on hand. Regular seasonal dry spells also limit the number that can be carried. In the summer rainfall area of northern Queensland, for example, farmers told me that their cattle make good weight gains in the summer when surplus feed is available but lose in fall and winter when green feed has dried.

Improved pastures produce more forage in dry seasons than the country's native grasses. So pasture improvement is a big item in Australia's agricultural program. As a first step, a pasture may get applications of phosphate fertilizer; then subterranean clover can be established to build nitrogen. Later, improved grasses such as Phalaris, Italian rye, or buffelgrass (an import from India) can be seeded.

At a Canberra experiment station that I visited with Q. Martin Morgan, assistant agricultural attaché, this sequence has paid off. Application of 12 hundredweight (about 1,350 pounds) of superphosphate per acre over 4 to 5 years, plus the seeding of Phalaris and subterranean clover, has increased the carrying capacity of the land from 1 ewe per acre to 3. And at an experiment station in Queensland, buffelgrass pastures produced 3 times the weight gains of native pastures in grazing steers. Progressive stockmen have duplicated these production increases.

Hay is another high-priority item. The Canberra people showed us good stands of Phalaris and other hay, grown without irrigation, even though the annual rainfall there averages only 24 inches. I also heard that alfalfa hay is being increased by plantings on dry land and land irrigated by reservoirs and pumps. If the soil is suitable and water is available, a small acreage of alfalfa produces a large harvest because of the long growing season. Being pushed too are other forage crops—cane millet, corn, and oats.

Australian News and Information Bureau

Australia builds up pastures in several ways. Here, for instance, lupin restores nitrogen to hitherto worthless land.

Australian National Publicity Association

Good pastures mean profits from meat and wool. These sheep are being mustered for shearing, New South Wales.

One problem with both pasturage and hay in Australia is the low nutrient value of the native herbage and its low palatability when it is dry. The low protein content of grains and harvested feeds can be improved by the use of subterranean clover; but there is need for a legume suited to tropical areas. Townsville lucerne is filling this need in certain locations. For protein supplements, some cottonseed cake is available, but no other good source except clover or alfalfa.

Australia's special problem, of course, is to maintain its cattle and sheep during long dry spells. Stockmen have found they can accomplish this throughout droughts ranging up to 6 months, by feeding small amounts of grain sorghum fortified with calcium and no hay or other roughage. They told me that weekly feedings prevent weight losses effectively.

Although the interior of Australia is largely desert, finding new lands for improved grass is not difficult. Some sand-dune areas on the coasts have high rainfall; but because they shift about, they are not suited for crops. Here grass and legumes are best. However, in the well-known brigalow belt, grass and legume plantings face some competition with other crops for the cleared land. The presence of the brigalow scrub itself indicates that the soil is good. Still, there are some 20 million acres in the belt, and as this land is cleared—a long-term project—much of it is being planted to improved grasses and legumes.

Irrigation and water conservation will add greatly to Australia's potential for grazing and stock growing. The building of stock-water reservoirs and wells on the ranches and along the stock trails has reduced the drought hazard. The impounding of waters from the highlands of eastern New South Wales is making considerable irrigation development possible in that State and in Victoria. In other areas, vast acreages may be wholly or partly irrigated by wells or reservoirs. Water development costs money, and this fact suggests that much of the irrigated land will be used for cash crops like rice, cotton, and fruit rather than for forage and feed grains. Still, any such development is likely to increase the capacity of the land to carry livestock.

Results of Pasture Improvement

Around 30 percent of Australia's 150 million sheep are wethers. These animals are about as drought resistant as any animal could be and still return a relatively profitable fleece to the owner once a year. Labor and operating costs in running wethers are low, and there is always a fairly good demand for aged wethers for fattening.

In soil improvement, many Australians use light planes to spread fertilizer.

But as soon as pasture conditions improve, a ewe takes the place of the wether on the sheep farm, for lambs add to the returns even though they also add to the operating costs. In Australia, with its drought cycles, lamb crops are usually small; farmers are reluctant to take the chance and incur

(Continued on page 20)

Russian tractor (right) attracted New York small fry. Below, giant panels depicting Russian progress flanked entrance to the farm exhibit.

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The USSR Comes to New York—a

On June 30, Frol Kozlov, first Deputy Chairman of the USSR Council of Ministers, opened the Soviet Exhibition of Science, Technology, and Culture at New York's Coliseum. Russia brought its brightest and shiniest best to New York and Americans flocked to see it—50,000 to 60,000 a day. High point of the exhibit was the "Sputnik." The 10,000 displays covered three floors and featured many things of interest to agriculture and allied industries.

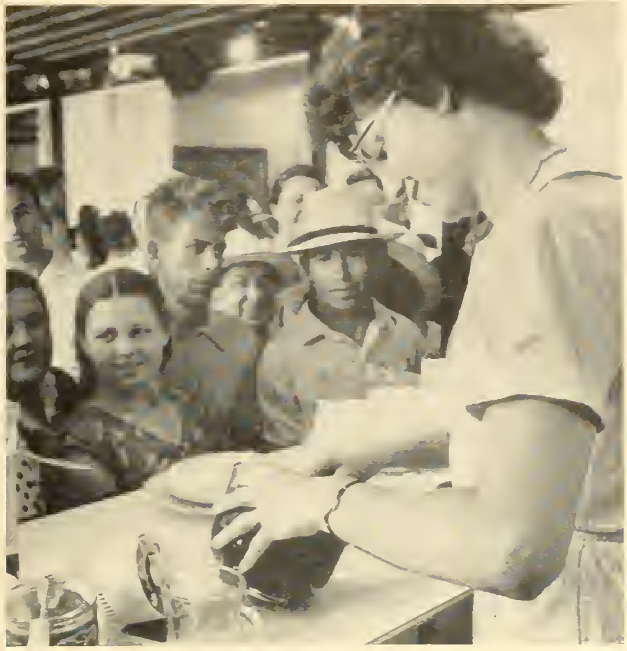
Three weeks later on July 24, U.S. Vice President Richard Nixon opened the American National Exhibition in Moscow's Sokolniki Park. The indoor-outdoor exhibit rambled over 10 acres of the park. About 750 U.S. business firms participated in the displays which were designed to give a broad view of U.S. life. Russian interest was keen. Even before opening day tickets were selling for 10 times their face value. High point of the U.S. exhibit was the model home where Soviet Primier Khrushchev and Vice President Nixon reached the "summit" of their talks.

Marina Dinleva of Moscow, on runway of Coliseum, models orange tulle evening gown with a matching stole.

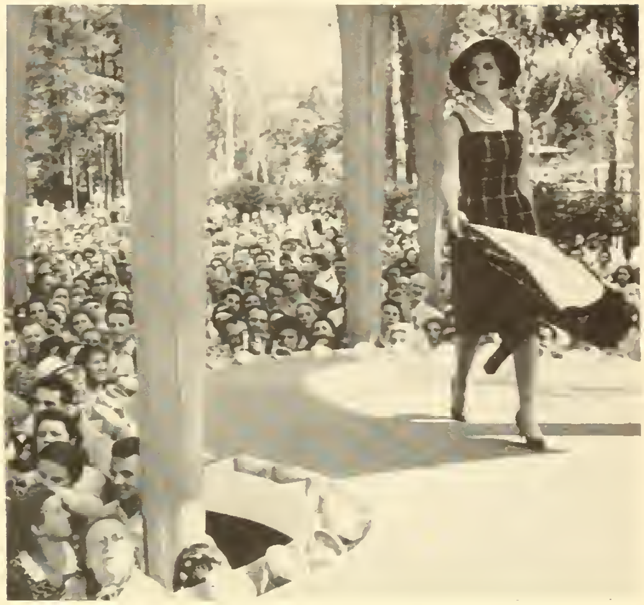
Photo by Gary Wagner

New York youngster hugs stuffed ram in wool exhibit. Statistics in background placed Russian wool output at 708 million pounds in 1958.

N33947



Left, U.S. demonstrator Mary Lee Buehring whips up frosting for ready-mix cake in fair's model kitchen. Below, Moscow breeze catches jacket of cotton dress at outdoor fashion show.



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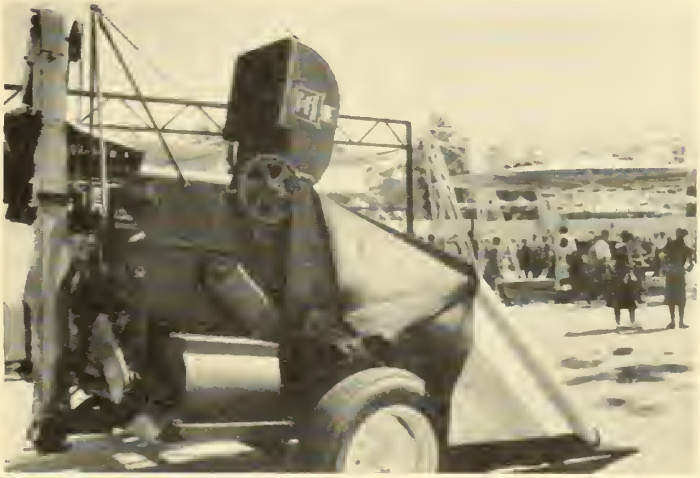
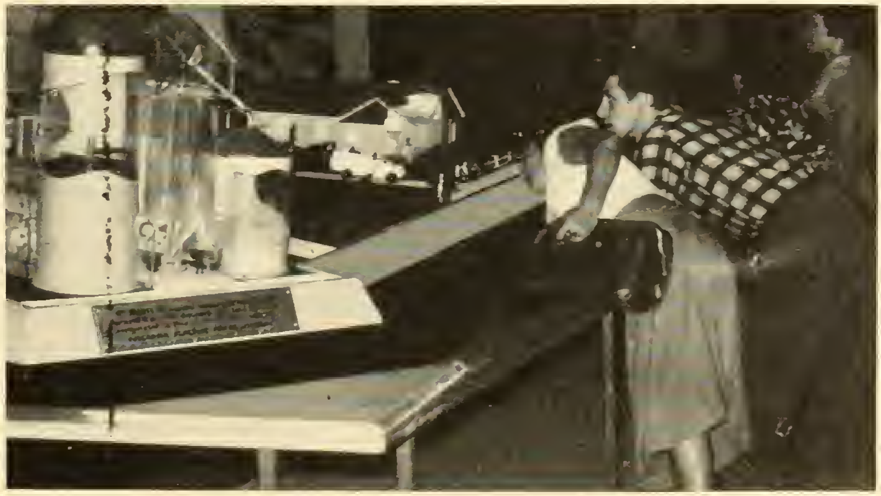
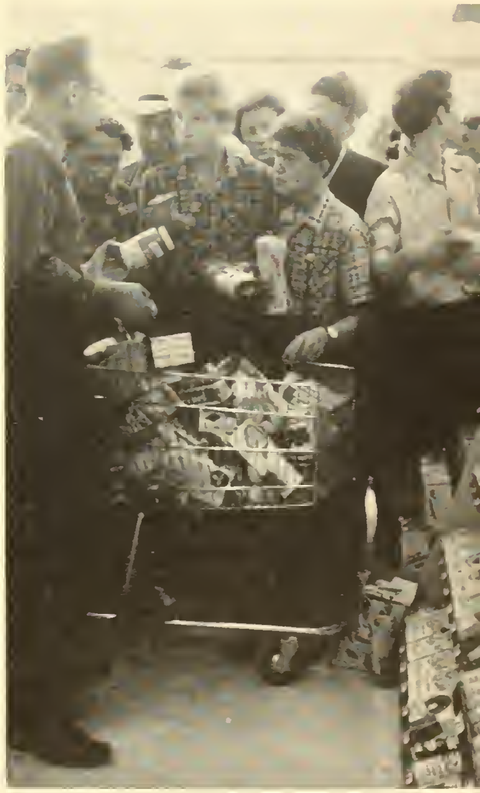


U.S. corn picker (above) was one of the farm machines shown at the American exhibit. Young couple (below) is fascinated by model of U.S. dairy farm and leans over to peer into farmhouse.





Photos by Van der Veen

The U.S.-type supermarket amazed and intrigued the Russians. Featuring most of the foods available in the United States, it was constantly jammed with questioning spectators.

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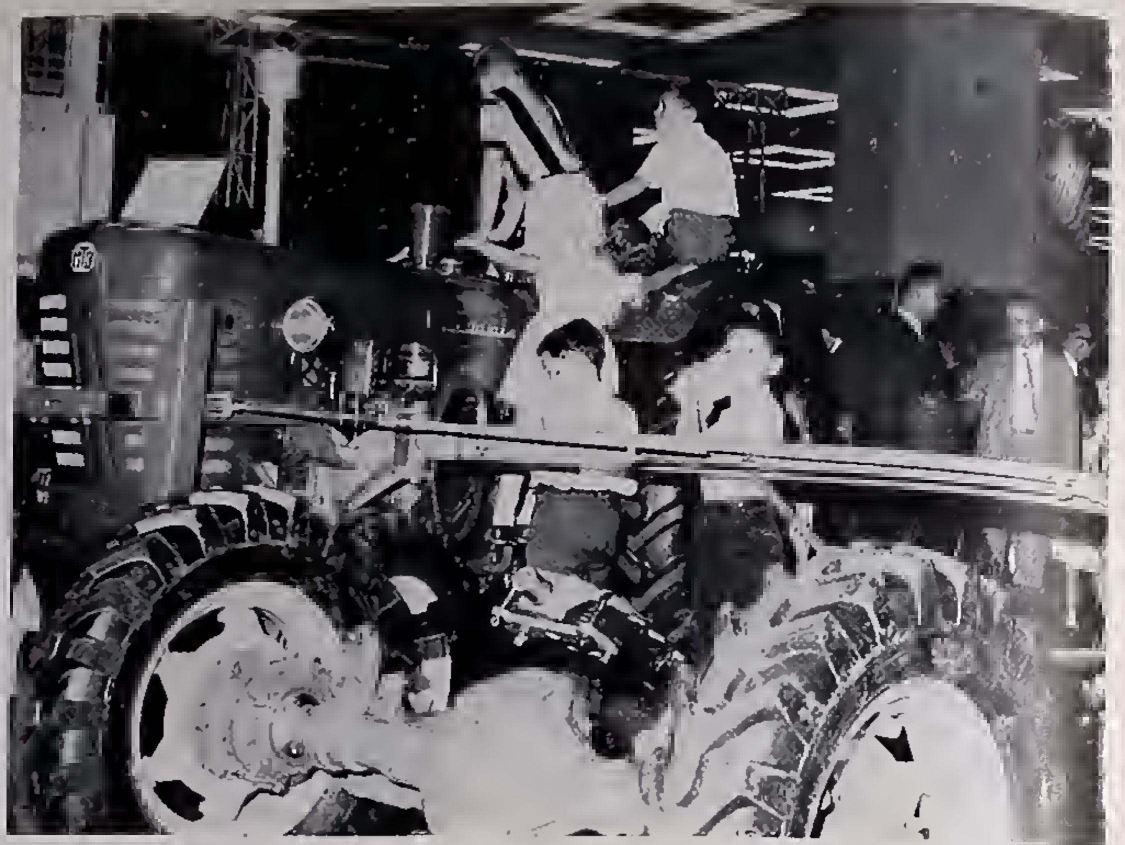

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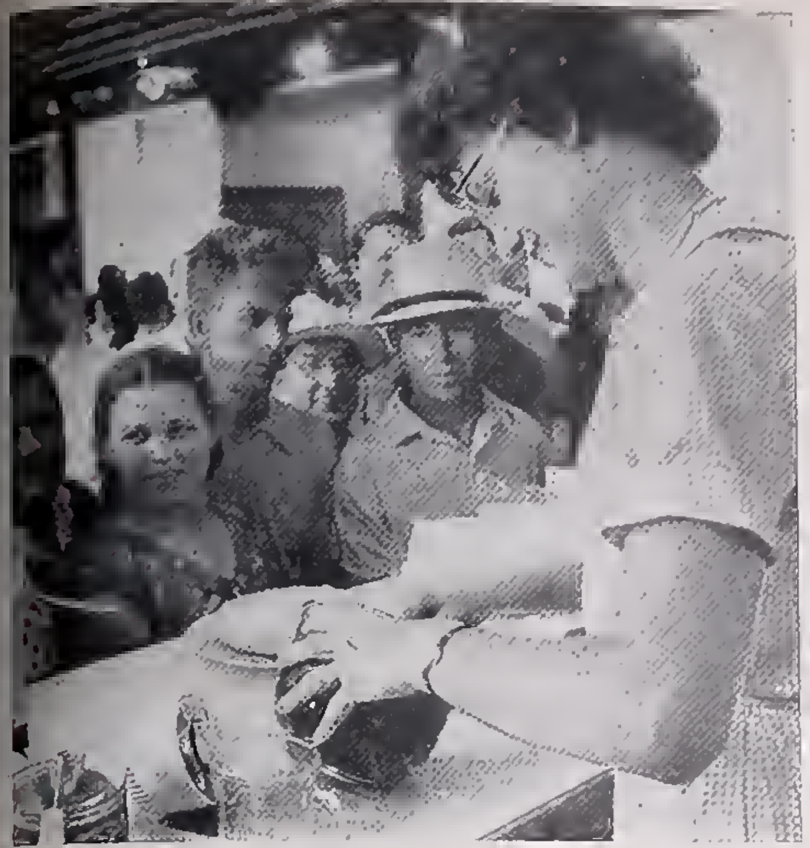

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Free-Trade Area Is Established Among Europe's "Outer Seven"

Economic integration in Europe moved a step further this summer. On July 20 and 21, Ministers from seven countries met in Stockholm and decided to recommend that their governments—those of the United Kingdom, Sweden, Norway, Denmark, Austria, Switzerland, and Portugal — proceed with plans for a free trade area.

The desire of the so-called Outer Seven to establish a free-trade area among themselves grew out of the creation of the Common Market (which began its existence on January 1, 1958) and the subsequent collapse of negotiations for a Europe-wide free-trade area. As originally conceived, this area was to provide an association of the six Common Market countries (Germany, France, Italy, Belgium, the Netherlands, Luxembourg) with all the other West European countries, and thus prevent Western Europe from splitting up into blocs. It is the hope of the Seven that forming a smaller free-trade area will provide an interim step towards the ultimate goal of an association comprising all of Western Europe. Indeed, for some of the countries this is a major reason for the new grouping.

Meanwhile, experts are to meet in September to draft the treaty, which is expected to be submitted to the seven governments by the end of October. If ratified, it will go into effect on July 1, 1960, when tariffs among the Seven are scheduled to be reduced 20 percent. Tentative plans call for dismantlement of trade barriers among the Seven in the course of 10 years, but the countries do not plan to unify their tariff and other trade regulations towards outside countries.

Institutions are to be simple. The governing body will be a Ministers' Council. Decisions entailing new obligations must be unanimous. An important feature of the organization is a special committee that will advise the governments on technical problems of the union in general, and will study in particular the problems connected with future negotiations concerning a wider free-trade area.

Agricultural products are not included in the plans for the free-trade area; there will be a special agreement regarding agriculture. Since agricultural products account for some 60 percent of all Danish exports, Denmark was not interested in joining the group unless it could receive some kind of compensation in respect to these products. Before the Ministers met, therefore, an agreement was reached between Denmark and its largest farm market, the United Kingdom. Under this agreement, the United Kingdom will grant Denmark tariff concessions on bacon, pork luncheon meat, blue cheese, and canned cream when the treaty joining the Seven goes into effect. Denmark also reached an agreement with Sweden, under which Sweden will reduce import fees on a number of agricultural products—especially livestock products—and also refund to Denmark a share of its fees on Danish goods.

U.S. Agricultural Pioneers

(Continued from page 4)

ican experts. In China, Brill complained that his employers expected him to know everything from the management of silkworms to raising forests. "They think all that is necessary is to translate a few books and read them over, then buy a few machines and have men turn the cranks." In addition, he reported that the Chinese people were suspicious both of their own officials and of him. By contrast, in Japan Capron was doubtless hampered by his own lack of understanding of the Japanese people and culture. "Everything in Japan is to me a mystery," he reported; "How it is that a people naturally so intelligent, ingenious, appreciative, and so capable of imitating everything they see, should remain so long in a state of semibarbarism, is perfectly incomprehensible."

In the 1920's in Haiti another variety of cultural conflict seriously handicapped the American work. When the American occupation forces concentrated their attention on agricultural education, they did so at the expense of neglecting other educational institutions. The Haitian elite, brought up in a French tradition of classical education, resented the shift in emphasis and did much to undermine the work of the agricultural experts. Everywhere—in Haiti, China, and elsewhere—U.S. experts found difficulty in recruiting good students of agriculture. Too many of their students were members of the elite classes raised in a tradition which regarded manual labor as degrading. It was not an easy job to teach improved agricultural practices to students who resented getting their hands dirty.

Why They Went

In the light of all these difficulties and obstacles, why did the Americans go abroad? It is hard, in many cases impossible, to recapture the motives of the individuals concerned. In some cases Americans found themselves in Caribbean lands as a result of complex political developments that culminated in a full American occupation. Doubtless the lure of "strange lands and friendly faces" influenced many. And one should not underestimate the power of idealistic desires to help common folk in other parts of the world through the sharing of agricultural knowledge. But economic motives were present as well. Some of the early experts were very well paid. In the twentieth century John C. Barnett, an employee of the U.S. Department of Agriculture, left his $1,200 per year salary with that organization to go to Siam at $6,000. In Japan Capron received a salary of $10,000 per year, more than was received by the Japanese Prime Minister. Some of the fringe benefits were impressive too. Capron received expenses, a house, guards, and servants in addition to his salary.

Whatever their motives, most of the early agricultural experts were technically able and conscientious men. They were the forerunners of a movement that has now reached impressive proportions. True, their achievements were often incommensurate with their efforts. But the trials of these pioneers are still instructive for those interested in the problems of technical assistance.

TRADE PROSPECTS FOR RICE

By DEXTER V. RIVENBURGH
Grain Division
Foreign Agricultural Service

The past 18 months have seen many abrupt but short-lived changes in the pattern of international trade in rice. In the early part of 1958, there was thought to be a serious reduction in world supplies of rice available for export. Reaction to this varied. Deficit rice countries, forced to rely on imports to maintain consumption, were apprehensive lest prices rise and they, because of limited foreign exchange, would face reduced supplies. But the rice-exporting countries saw in any reduction the chance to enjoy the benefits of strengthening prices.

By midsummer, halfway through the international rice marketing year, the pattern shifted. Mainland China's offerings for export were higher than at any time since 1955; also, China began talking in terms of greatly increased yields. This, combined with more reliable reports of better crops in Japan, Thailand, Burma, Pakistan, and India, brought a new set of factors into play. Importing countries, which a couple of months before had been concerned about filling their minimum needs until the end of 1958, now assumed that a buyer's market was in prospect for 1959. To take advantage of this, they used their own production and stocks and were reluctant to enter into new import commitments. The idea, of course, was to obtain maximum price concessions.

This shift from a seller's to a buyer's market, though largely propaganda, had little or no effect on the volume of U.S. rice moving through commercial channels as dollar sales. (Most U.S. rice sold abroad is a high-quality rice, representing only a small proportion of the 5 percent of total world production that actually moves into world trade.) But the story was somewhat different with regard to rice sales under U.S. Government programs. These were materially retarded from August 1958 until well into 1959. Countries eligible for acquiring part of their supplies at concessional terms followed the same reasoning as the other importing countries. Before buying any rice, under a U.S. program or otherwise, they decided to wait out the market in order to take as full advantage as possible of any price reductions that occurred.

Three Markets

By breaking down the current pattern of the world rice trade into its component parts, it is easy to see how the market responds to changes in world conditions, whether factual or merely rumor. In recent years, the volume of trade has been around 130 million bags (cwt.) of milled rice. Of this, about 10 percent, or 13 million bags, represents the quality trade in which importing countries buy approximately the same volume annually and pay top prices for what they want. This is the market in which the United States has operated for the last 5 years, with the cream of our crop going to Cuba, Canada, much of the Western Hemisphere, and Europe.

In the second group are the countries that buy within the medium-quality range, which makes up from 25 to 27 percent of total world rice trade. These countries buy variable amounts annually. Their per capita consumption is usually relatively low, and imports to meet their needs are bought at more competitive prices than is the case with the countries in the first group.

For the United States, this second group of countries represents the largest market and perhaps the best for potential exploitation. Here is where the consumption of rice can be appreciably increased by well-coordinated market development efforts. Here too the quality of U.S. rice can be used to offset the competition of price; and sales of rough rice, brown rice, under-milled rice can be expanded, with especially designed transportation techniques employed to advantage.

The third and largest group of importing countries are those with limited foreign exchange for the financing of import needs. They buy about 60 percent of the rice moving in world trade, but they buy the lower grades and qualities. Most of these countries have limited economic development and rapidly expanding populations. If they are to supply the needs of their people they must, in varying degrees, obtain a certain portion of their imports through concessional arrangements; otherwise, they must do without or turn to other foods.

There is little likelihood that this third market, taking some 78 million bags a year, will be developed as a stable dollar market in the foreseeable future. Occasionally there may be dollar sales, but for the most part this is the area in which U.S. rice is entering only through government programs. Under such trading conditions the United States is in the position of a residual supplier.

Situation Today

Currently, it looks as though world trade in rice will be below that of the last few years, although how much below cannot be estimated at this time. Sales and deliveries by exporting countries for the first 6 months of this year, though probably below those for the same period last year, appear to have some stability. And while prices were steady during this 6-month period, the expected readjustment in July was not too drastic and was limited in area.

Asian export supplies and sales—as far as Burma, Thailand, Vietnam, and Taiwan are concerned—will probably hold up to last year's levels, and maybe rise slightly above them. The same is true for Australia. For the first 6 months of 1959, rice from Communist China was not as much in evidence in world markets as it was during the 6 months immediately preceding. And while there is little information available, it may well be that a combination of things will limit the quantity of rice that comes out of Mainland China for the balance of 1959.

In other parts of the world there are definitely limited rice supplies. Egypt reduced its plantings last year because of water problems, with the result that the country is temporarily a rice importer, with no chance of exports before November. (The 1959 plantings indicate that next year Egypt may again be in the export market with a surplus of over 300,000 tons.) Italy and Spain are almost sold out as far as this marketing season is concerned and will have no rice for export until nearly November. South America's rice supplies were affected by bad weather at harvest time. Brazil, normally an exporter, will just get by; and Argentina and Uruguay will be net importers until the spring of 1960.

Normally the European countries obtain their rice from these exporting countries. Now they are having to draw from other areas. Africa is also affected. Lack of export supplies in Egypt and Madagascar, which had bad weather conditions, is forcing Sudan, French West Africa, Morocco, and the Union of South Africa, to turn to other sources for their import needs.

In the Western Hemisphere import requirements should continue to be fairly strong. Little is to be expected from domestic crops in Cuba until well into October. Canadian imports from the United States should be up a bit because of the situation in Brazil and Argentina. Both countries are markets for U.S. rice, but in the case of Canada the volume over any extended period will definitely depend on whether or not the country becomes eligible for rice under the U.S. payments-in-kind program in 1959-60.

In summary, then, the principal aspect of the world market for the remaining months of this year will be Asian supplies at about the same level, except for Communist China where there is a fair chance they will be reduced. With no increase in Asia and reduced crops in many other areas, competition will be less in Europe, the Middle East, Africa, and the Western Hemisphere. This situation will probably continue until substantial quantities are ready for marketing from 1959 production around January 1, 1960. But even though it is a temporary condition, it offers interesting possibilities for market development.

Conditions Favorable to U.S.

The United States should be able to profit from the situation, since its position as a rice exporter differs somewhat from last year at this time. In the past the authority for sales of rice for foreign currencies under Public Law 480 expired each year on June 30, so that execution of new agreements with foreign countries was often delayed until the new amending legislation was passed. This year there will be no interruption in negotiating agreements, since the authority runs to December.

Since December 15, 1958 all Title I agreements involving rice have been completed almost entirely by purchases of rice from the open market rather than sales from government inventories. At the close of the marketing year on August 1, there were still substantial amounts of rice under existing agreements that had not been shipped and that will require some supplies from the new crop.

Also, the payments-in-kind program for rice that was started last December has now attained a fair degree of momentum which should show up in summer and fall exports. Through this program, commercial exports for the last 6 months to Western Hemisphere countries, Africa, and Europe have shown substantial gains over last year. In some instances, business is being done for the first time. And since the existing level of supplies available for export to these areas will be down considerably from previous years, the United States should find a fairly steady market until the end of 1959.

The U.S. export market for rice is also acquiring stability from the activities of the U.S. rice trade to promote consumption of rice abroad. This work has had particular significance in Europe. U.S. rice has been exhibited at five international fairs. Surveys of market potential have been made by the U.S. Rice Export Development Association, and some private U.S. firms have embarked on promotional work too. This has resulted in the removal of some trade barriers.

Industry Not on Easy Street

Nevertheless, though the next 4 months represent perhaps the best opportunity that the American rice industry has had for some time to develop and extend markets—in other than

(Continued on page 23)

Photos courtesy ICA

Farm machines like the thresher above are not yet a common sight in the Philippine Republic. Many farmers still have to winnow by hand and wind.

Can the Philippine Republic Reach Self-Sufficiency in Rice and Corn?

By JAMES E. ROSS
Far East Analysis Branch
Foreign Agricultural Service

Difficult problems face the Republic of the Philippines in its effort for self-sufficiency in rice and corn. These problems are obscured this crop year by optimism arising from estimates of bumper crops for both products. But they have still to be solved before the country can reach this goal; and they may reappear in the future with even greater consequence than in the past.

Meanwhile, preliminary estimates for 1958-59 showing the largest rice crop on record have been followed by action to ban imports of rice. A bill to that effect was passed this summer. This does not, however, mean complete prohibition of imports, for the bill provides that the President of the Republic can authorize rice imports in times of national emergency. Regulations to restrict the importation of corn were previously put into effect.

Rice Prospects

This year's rice crop is expected to exceed 2,273,000 metric tons, milled. That amount, plus imports of nearly 110,000 tons, makes a total of more than 2,383,000 tons available for all requirements. For food alone, on the basis of last year's per capita use and about a 2-percent increase in population, the need is about 2,305,000 tons. Thus it appears that there will be a surplus of some 78,000 tons for other uses.

However, if imports are not counted, this surplus turns into a deficit of about 32,000 tons. Clearly, the needs of this crop year were met only by the heavy arrival of rice from abroad.

In view of this fact, some Philippine officials' fear of an inconvenient carryover in the future would seem unfounded. True, rice production has increased each year. But the added quantity has scarcely been enough to match the increase in requirements. Per capita consumption of rice has risen significantly in recent years as a result of higher income. This fact appears to have been overlooked in the planning of national requirements. In addition, there is some question whether adequate account has been taken of population growth.

In this connection, the actual increase in population is of special interest. The 1958-59 rice crop was 9.5 percent larger than that of the previous year, but only 4.5 percent larger than that of 1956-57. During this same 2-year period, population growth, according to the Philippine Bureau of the Census and Statistics, was 4 percent. Yet according to the National Economic Council, the population increases 6 percent every 2 years. Should the latter estimate reflect the actual increase, it would mean a still

Above, housewife leaves mill with her purchase of enriched rice. Below, Philippine corn field. Corn is used as a rice substitute but yields are often very low.

larger deficiency in rice production.

In 1953, when domestic rice production satisfied local requirements, it appeared that the Philippine Republic had reached its goal of self-sufficiency. This situation, however, was only temporary. Imports have been required every year since then, and last year they reached a record high of 195,717 tons, milled.

Thailand has been the principal source of Philippine rice imports, with Burma and the Indochinese countries secondary sources. The United States, however, became the principal source in 1958, supplying 38 percent of total Philippine rice imports. Thailand, supplying about 27 percent, was the second largest supplier. South Vietnam and Burma each supplied 15 percent and Cambodia 5 percent.

These 1958 imports from the United States consisted of 17,086 tons which arrived early in 1958 under the 1957 Public Law 480 agreement; 25,985 tons from the P. L. 480 agreement signed in June 1958; and 31, 358 tons bartered for refractory chrome ore under Title III of P.L. 480. In most previous years, the United States had shipped little or no rice to the Philippine Republic.

Corn Prospects

Increased corn production during the past few years has also boosted Philippine optimism about self-sufficiency. Corn, used as a substitute for rice, is the principal item in the diet of about 20 percent of the Filipinos.

As a result of increased emphasis on food-crop production, as well as land settlement in corn-producing areas, both the area and the output of corn have increased substantially in recent years. The corn crop of 1958-59 is estimated at 961,200 metric tons, an increase of about 11 percent over the past year.

Very little corn, however, has figured in the foreign trade of the Republic. The government does not permit corn imports unless domestic production is critically short of requirements, as it was in 1956-57, when 10,700 tons of shelled corn were imported from the United States, and also in 1957-58, when 20,600 tons were imported from the Union of South Africa.

The bumper crops of rice and corn expected during the 1959 crop year have created a wave of optimism about the success of the Four Year Plan adopted by the Philippine Government in 1958. The plan calls for self-sufficiency in these two foods by 1962. Its features are not new; most of them were already in operation on a limited scale. But there has been hope that legislation would speed up production.

Expanding Output

Expansion of agricultural production in the Philippines can be achieved by three methods: First, bringing new or unused land into production; second, increasing the extent of multiple cropping; third, increasing yield per acre by technological means.

The first method has so far been important in increasing production, but further land expansion will become increasingly difficult as it becomes necessary to clear mountainous or jungle areas.

The second method offers more possibilities. A big portion of the cultivated area in the islands lacks irrigation facilities, which are necessary for multiple cropping. The Four Year Plan calls for the construction of 26 irrigation systems in addition to the 16 already finished by 1958. This will make a total of 42 systems, irrigating 1,235,500 acres of rice land.

But it is the third method that most urgently needs emphasis. The real problem of agriculture in the Philippines is not the lack of agricultural lands but the fact that average per acre yields there of rice and corn are among the lowest in the world. Despite the government's logical and convincing agricultural programs, the average yield of Philippine rough rice remains about 1,087 pounds per acre as against a U.S. yield of over 3,220 pounds. The average corn yield is only about 8 bushels per acre, compared with over 48 in the United States.

In its Four Year Plan, the government calls for distribution of free fertilizers and insecticides to small rice and corn farmers, as well as for the loan of superior varieties of rice seedlings to replace ones now being planted. But one of the biggest stumbling blocks to increasing yields is the government's reluctance to release part of its limited dollar reserves for imports of fertilizer and pesticides. At present, the country produces only a small fraction of its fertilizer requirements, and the production costs have been relatively high.

Another problem is the shortage of adequately trained personnel to staff the agricultural program. Many times, Congress has passed laws setting up agricultural extension programs and establishing organizations to carry them out; but sufficient money has not been allocated.

The government's policy of providing cheap rice for the consumer leaves the grower with little price incentive. Many farmers are skeptical about government-sponsored programs to increase production. All the past administrations since 1902 have failed to solve the recurrent rice shortage. Although the current Four Year Plan seems well conceived, it remains doubtful that the goal will be achieved. Granted that self-sufficiency in rice and corn and even rice production for export are possibilities, still the Republic may have much more work to do before it can be sure of becoming and remaining self-sufficient in these crops. Certainly, a good deal of quality-improvement work has to be done before the low-grade Philippine rice can become an attractive export commodity.

World Peanut Production And Trade Continue Up

World production of peanuts has set records for 6 successive years, and, given favorable weather, promises to set another in 1959. Last year's big crop, estimated at 15.6 million short tons (on unshelled basis)—5 percent above 1957 production—was primarily due to increases in four of the big producers—India, the United States, Brazil, and Communist China. These increases came from both expansion in acreage and higher yields, and were extremely high in the United States (30 percent) and in Brazil (55 percent).

World exports of peanuts and peanut oil in 1958—over 3 million short tons (unshelled basis)—were also up significantly over 1957. The increase was almost 10 percent, chiefly because of heavy Nigerian and French West African shipments from 1957 crops.

U. S. Tallow's Future in Japan Holds Increasing Competition

The United States, long the major supplier of beef tallow to Japan, is facing the possibility of increased competition from Australia and New Zealand. The Japanese like U.S. tallow and its price is competitive in the world markets, but its import is still restricted as it was when Japanese foreign exchange reserves were low. On the other hand, tallow imports from Australia and New Zealand come in under a much less restrictive part of the Japanese import program. Therefore these two countries have been able to enlarge their share of the Japanese tallow market.

Most of the tallow Japan buys is used for soap. Soap production in 1958 totaled nearly 772 million pounds, an increase of 71 percent over the 1951-55 average. Before the end of the Japanese fiscal year (April 1958-March 1959), dollar allocations for tallow imports were exhausted. Japanese importers were forced to increase their orders for Australian and New Zealand tallow during the last quarter of the year although the price was higher than the U.S. price.

Australia's tallow output is rising rapidly because favorable beef prices abroad have given impetus to its livestock industry. New Zealand's production, however, seems to have leveled off after a sharp rise in 1957-58.

Japan has bilateral trade agreements with both Australia and New Zealand which provide for tallow imports. During the fiscal year ending March 1960 these may reach 40 million pounds.

Australia's grazing land is being improved. It is opening new lands and bettering its transportation facilities for both internal and export shipping. Thus, it is in a position to up its production of cattle sharply, and further enlarge supplies of tallow available for export.

Japan imports tallow under two systems, Automatic Approval (A.A.), and Foreign Exchange Allocation (F.A.). Under the A.A. system, imports are licensed without a value limit for any commodity on the A.A. list. The only limit is the total A.A. allocation. Beef tallow from Australia and New Zealand is imported under this system. In contrast, the F.A. system restricts the amounts of imports by quantity, as well as by source of imports. Tallow from the United States and Canada is imported under the F. A. system.

According to Japanese statistics, Japan bought 253 million pounds of inedible tallow from abroad during the calendar year 1958. Of this total, 223 million pounds was U.S. tallow, and a little over 10 million pounds was Canadian. Thus total purchases under the F.A. system reached 87 percent of all tallow imports. Of the remaining 32.5 million pounds bought during 1958, Australia supplied 18 million and New Zealand over 14 million.

Japanese soap manufacturers have been able to persuade the government to expand total import allocations for the 1959 fiscal year to 300 million pounds. Of this, 260 million will be under the F.A. system and 40 million will be under the A.A. system. This plan could change if demand expands more rapidly than expected, since it represents the Japanese Government's estimate of needs for the current fiscal year. For example, Japan programed imports of 108.4 million pounds at the beginning of the 1958 fiscal year, but as consumption exceeded estimates, actual imports rose to over 272 million.

Japanese soap manufacturers have stated that they recognize the high quality and reasonable price of U.S. beef tallow as compared with that of other countries and will give preference to the U.S. product as long as F.A. funds last. In view of the lower U.S. prices, it appears that the Japanese Government intends to allocate most of its F.A. purchases to the United States.

Thus the United States is currently maintaining its position as the main supplier to the Japanese market. However, the U.S. tallow producers must not overlook the fact that Australia and New Zealand are capable of increasing their exports to Japan.

Foreign PRODUCTION NEWS

A ***British*** tobacco firm is growing ***Virginia tobacco*** in ***Colombia***. In addition, it will import equipment for manufacturing cigarettes and 150 tons of light leaf tobacco to establish beginning stocks. Cigarettes will be made with mixtures of Colombian dark leaf and Virginia tobacco, the latter partly flue-cured and partly sun-dried.

Some major producing countries have reduced their 1959-60 ***cotton*** acreage according to early reports. ***Mexico's*** total planted acreage is believed to be down about 32 percent from last season, while ***Egypt's*** is down about 8 percent. Acreage declines are also reported in ***Central America***, the ***Near East***, and ***Greece***. Tighter cotton production credit, lower prices and weaker world demand, and prospects for larger world supplies next season are considered the major reasons for the acreage cuts.

Spain's 1959 ***filbert*** crop, expected to reach 17,000 short tons (unshelled), will be about 17 percent above the 1958 crop, but well below the 1957 bumper harvest of 24,000 tons.

Australia has planted its first commercial ***soybean*** crop—about 1,500 acres. A government program is encouraging new crops; unofficial reports indicate expanding attention to oilseed production in order to reduce imports of fats and oils.

El Salvador's first ***milk powder*** manufacturing plant began operating recently and is expected to produce 264,000 pounds of dry skim milk powder in its first year. The product will be distributed by the government under an agreement with the United Nation's Children's Fund, which assisted in the plant's construction. In addition to making milk powder, the plan will pasteurize fresh milk.

Australia's Pastoral Industry

(Continued from page 11)

the expense of saving more lambs. In the drier areas, ewes may not be mated until they are nearly 3 years old; and in especially bad years many sheepmen do not mate their ewes at all, thus saving feed for the existing flock.

High wool prices in 1950-57 provided a strong stimulus to pasture improvement and other land development practices. Under the tax laws, money spent for fertilizer and most farm improvements is considered an operating cost and not an addition to capital. Thus, when a stockman's income is high, it will often pay him to make improvements on his farm rather than turn over a large part of his profit as income taxes — especially improvements that will encourage productivity.

The lower wool prices of the past 2 years have led sheepmen to reappraise their expenditures for farm improvements. Some of them have decided they cannot afford to continue large outlays for phosphate applications or other pasture-building practices. But others have gone on spending for these improvements, confident that they will reap the benefits in the years ahead. Wool production per sheep still increases steadily, but meat production per breeding animal has not had the marked increase for sheep and lambs that it has had for cattle. This condition, however, should change with a larger percentage of ewes.

As more good pasturage becomes available for sheep, there is a tendency to raise more beef cattle, which can utilize the coarse forage that sheep cannot eat. High cattle prices are encouraging this trend just as they are encouraging a sharp increase in cattle numbers in areas where no sheep are raised. These are the warmer areas of Queensland, the Northern Territory, and Western Australia, where dingoes are common, properties are not fenced sheep-tight, and much land is covered with speargrass (which harms sheep).

Over the past 30 years, there has been a sharp increase too in the numbers of cattle slaughtered in relation to the numbers on farms. This higher rate of productivity and slaughter is due in part to the marketing of cattle at younger ages. This in turn is due to the general improvement in technology that accompanies the intensification of agriculture. Increased slaughter is due also to the fact that many old cows that would formerly have died on the range for lack of a market are now salable.

Australian meat production has increased over the past 20 years about as fast as domestic consumption. A quarter of the nation's meat production is now being exported—roughly the same share as before World War II, but a considerably larger quantity.

Because Australia's human population is likely to go on increasing at a relatively rapid rate, more meat will continue to be needed at home. This need, along with the equally urgent need to keep up exports of all livestock products, is pushing Australia to solve the problems of livestock production and marketing. My trip there convinced me that in solving the ones related to drought and feed shortage, the Australians have gone a long way.

Free Nations of Far East

(Continued from page 8)

more emphasis on labor-saving machinery, and many small tractors and other farm machines are now in use.

Another important feature is the progress made in stabilizing production. The early cultivation of paddy rice, a technique that involves warm nurseries for seedlings, has helped Japan reduce the damage caused by cold weather in the east and typhoons in the west. This has enabled the country to continue producing bumper rice crops in spite of its climate.

What Japan has done gives hope for the rest of the Far East. However, it must be realized that Japan has needed more than 60 years of development to reach its present position; other countries cannot be expected to accomplish the same thing in a much briefer time. In view of the severe handicaps facing the farmers in most of the countries—widespread illiteracy, small farm size, lack of capital for production requisites — improvement in farm production will come about slowly. In most of the Far East, agriculture will certainly take more than one generation to advance beyond its present stage of underdevelopment.

U. S. Agricultural Exports Remain High in Fiscal '59

In the year ended June 30, 1959, U.S. agricultural exports totaled $3,720 million. This is 7 percent less than the $4,002 million of fiscal 1958, and also represents a decline—for the second year—from the alltime high of $4,728 million in 1957. Only 3 other years were better than last year: 1919, 1949, and 1952. Exports in fiscal 1959 were 15 percent ahead of the 1950-54 average, and the 1956-59 average works out to $4 billion annually, more than in any other 4-year period in the Nation's history.

The continuing high level of the Nation's farm-product exports is based on several continuing factors—some domestic, some foreign. On the domestic side, supplies of most major commodities available for export were again abundant; government export programs continued, including sales for foreign currencies and barter; export markets were actively promoted. Overseas, economic activity continued at a relatively high level; the gold and dollar situation improved further; trade barriers were further relaxed; population increases raised foreign requirements; and meantime, foreign output of some crops decreased.

Value declines in cotton, fruits, dairy products, and hides and skins last year more than offset increases in grains, vegetable oils, oilseeds, vegetables, and meats. Cotton declined most. Fruit losses were principally in apples, pears, lemons, and prunes. Cheese predominated in the drop in dairy product exports. On the other hand, exports of feed grains and soybeans were at record highs. Edible vegetable oil exports were the second largest on record. Shipments of wheat, rice, lard, and pulses were improved. Most of the gains were facilitated by special export programs. Exports of tobacco and animal fats did not vary much in value from 1958 to 1959, although a substantially larger volume of animal fats was moved.

To U.S. agriculture, as an important part of the Nation's economy, a high level of agricultural exports is vital. Last year's exports represented the output of 40 million acres, or 1 out of every 8 harvested. This was equivalent to 32 million long tons of cargo—enough to fill 800,000 freight cars and 3,600 cargo ships. In moving these exports, an average of 10 ships weighed anchor each day.

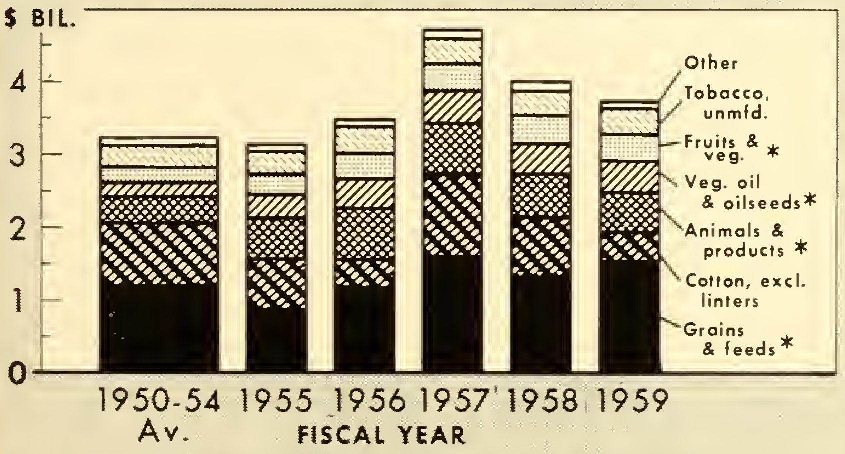
Sizable shares of certain individual crops are exported; to the producers of these crops, exports are of special concern. For dry edible peas, exports last year were equivalent to three-fifths of the 1958 crop; for rice, two-fifths; for dried prunes, soybeans (including bean equivalent of soybean oil), tobacco, and wheat, about a third; for cotton and barley (grain), about a fourth; for dry edible beans, about a fifth; and for sorghum grains, close to a seventh. In some instances, however, large shares of these exports came from previous years' crops held by the Commodity Credit Corporation.

Over three-fourths of the exports of U.S. farm products in 1959 went to 17 countries of the more than 100 that take any. More than 40 percent went to 5 countries: The United Kingdom, Canada, Japan, West Germany, and India. The value of their takings last year exceeded $1.5 billion. Exports to 3 of the 5 were sharply below 1958: The United Kingdom, Japan, and West Germany. Italy, South Korea, Mexico, and Poland also took less. Leading gainers were the Netherlands, India, Spain, and Yugoslavia. Canada, Cuba, Belgium, Venezuela, France, and the Philippines about maintained their takings of U.S. farm products.

Thirty-five percent of last year's exports moved under government-financed export programs (Public Law 480 and Mutual Security), compared with 31 percent in 1958. Shipments under foreign currency sales and barter programs increased about $125 million while relief shipments, including both the emergency-relief-type and welfare-type programs, declined about $70 million.

Other farm-product exports (sometimes called exports for dollars) declined about $335 million. However, these exports included, in addition to unassisted commercial transactions, shipments of some commodities with

TRENDS IN U. S. AGRICULTURAL EXPORTS, BY COMMODITY GROUPS



*INCLUDES RELIEF AND CHARITY SHIPMENTS BY PRIVATE AGENCIES AFTER 1954; FOR 1950-54, SMALL SHIPMENTS IN "OTHER."

USDA FAS-NEG. 1901

Prepared in the Trade Statistics Branch of the Foreign Agricultural Service.

governmental assistance in the form of (1) short-term credits, (2) sales of government-owned commodities at less than domestic market prices, and (3) export payments in cash or kind.

Cotton

The principal export decline last year was in cotton. The export value of $413 million was about half the $841 million of 1958 and about half the 1950-54 average as well. The decline in cotton reflected reduced foreign demand due to (1) larger beginning stocks and production in foreign exporting countries, (2) weaker demand for and larger inventories of foreign textile goods, (3) substantially lower prices for most foreign growths compared with equivalent qualities of U.S. cotton, and (4) the prospect of larger production and lower export prices for U.S. cotton starting August 1, 1959. USDA announced in February 1959 that prices of U.S. cotton for export in the 1959-60 season would be kept competitive on world markets under a payment-in-kind export program.

Grains and Feeds

Exports of grains and feeds (including USDA welfare donations) increased 16 percent, from $1,317 million in 1958 to $1,526 million in 1959. Last year's exports were 27 percent above the 1950-54 average. Wheat, rice, rye, and feed grains shared in the export rise.

Feed grain exports continued to climb last year and set a new season record. Combined exports of barley, oats, sorghum grains, and corn (excluding products) were one-third larger in 1959 than in 1958. Volume rose from 8.8 million short tons to 11.5 million. Europe's needs, especially for sorghum and barley, mounted further with expansion in its livestock industry. Meanwhile, supplies available from the 1958-59 French crop of feed grains were sharply reduced because of drought the year before. European demand was so high last year that both Argentina and the Union of South Africa shipped large quantities of corn to the Continent. U.S. exports were aided by plentiful supplies and competitive pricing under the export program providing for payments in kind.

Exports of wheat and wheat flour which in 1958 had been 402 million bushels as against the record 549 million in 1957, increased to 444 million in 1959, fifth highest level on record. Last year, exports to Brazil and Europe rose, but the bulk of the gain came from expanded shipments to India under Title I of Public Law 480. India is now the largest single foreign outlet for U.S. wheat. Its need for imports was especially great last year, after the short 1957-58 crop and the resulting rise in prices. All this occurred at a time when economic development had already stimulated consumption. For several years, India has been trying to build up operating stocks in order to minimize hand-to-mouth buying.

Milled rice exports increased from 12 million bags in 1958 to 14 million in 1959; they were far short, however, of the 26-million-bag record attained in 1957. The significant development was the much larger volume shipped to Europe—mostly for dollars—as a result of aggressive U.S. market promotion, the payment-in-kind export program, and smaller supplies available from Egypt and other areas.

Vegetable Oils and Oilseeds

Exports of vegetable oils and oilseeds increased 3 percent, from $413 million in 1958 to $424 million in 1959. Last year's exports were 2¼ times the 1950-54 average. Exports of soybeans increased from 88 million bushels to 103 million, a new record, with large quantities again going to Western Europe, Japan, and Canada. The improved European demand resulted from smaller availabilities of copra and reduced oil stocks in northern Europe. Exports to Japan were up as a result of that country's break in trade relations with Communist China. Exports of cottonseed oil and soybean oil increased from 922 million pounds to 1,079 million, second largest volume on record. Top figure was the 1,393 million pounds in 1957. The oil export increase last year reflected a step-up in programing of sales for foreign currencies under Title I of Public Law 480, mainly for Spain, Turkey, and Yugoslavia. Flaxseed exports were smaller than in 1958.

Vegetables and Preparations

Exports of vegetables and preparations increased to $135 million, 12 percent more than the $121 million in 1958. This increase was mainly due to larger exports of pulses—dried field peas and beans. The 1959 value is relatively high, nearly 60 percent above the 1950-54 average. The United States produced 22 percent more beans in 1958 than in 1957, and that made possible the larger exports last year, especially to Europe where the bean crop was poor. The 1958 U.S. pea crop was relatively small, but beginning stocks were large; and Europe's lower pea supplies accounted for its willingness to pay the higher prices and made the 1959 gain possible.

Tobacco

The quantity of unmanufactured tobacco exported last year was the same as the 473 million pounds in 1958 (export weight); however, the $350-million value was up 2 percent from the $343 million in 1958 and 23 percent from the 1950-54 average. Shipments were maintained last year primarily because supplies available from the current crop abroad—especially in Rhodesia—were below those anticipated. In addition, foreign cigarette consumption gained substantially.

Fruits and Preparations

Exports of fruits and preparations, which after several years of steady gains had reached a record $262 million in 1958, declined 13 percent to $229 million in 1959. Last year's exports were, nonetheless, three-fourths above the 1950-54 average. Principal losses from 1958 were in fresh apples, pears, and lemons and in dried prunes. Smaller amounts of prunes were available for export than in 1958; otherwise, the declines reflected mainly the smaller demand in Europe after recovery in its deciduous fruit output. The declines more than offset the large increase in sales of California navel oranges to Canada.

Animals and Animal Products

Exports of animals and animal products in 1959 generally continued to reflect both the smaller U.S. output and the foreign competition that has come from larger output abroad. Foreign export subsidies and import restrictions also hindered U.S. shipments. The export value of $532 million in

1959 (including USDA welfare donations) was 9 percent less than the $585 million in 1958 and 25 percent below the $700-million-plus peak levels in 1956 and 1957. However, last year's exports were still 45 percent above the 1950-54 average. Large increases in exports of poultry and variety meats in 1959 were more than offset by reductions in dairy products and in hides and skins. Cheese exports were down considerably, especially USDA welfare donations. Substantially less evaporated milk was exported, as U.S. shipments to the Philippines were partly displaced by filled canned milk—a local product of lower price, made from nonfat dry milk solids and vegetable fat. After last year's greater production, lard and tallow shipments increased in volume, but with lower prices export value changed little.

Rice Prospects

(Continued from page 16)

Asian areas—this does not mean that the industry has turned the corner and is now on Easy Street. Such is far from the case. European and Western Hemisphere suppliers are only temporarily off the market. Other world exporters are better organized than ever before and have more active sales representation in the principal markets.

Further, the question of price levels will continue to be a main deciding factor. The competition for the rest of this year will be keen, and any material price markup will lessen sales. If prices tend to advance too rapidly, importing countries will buy less in the fall months in anticipation of freer supplies after January 1.

To meet this keen competition during the next few months requires well coordinated selling to the end that the customer obtains supplies of rice of the type he wants, packaged and processed to meet existing merchandising needs. Even so, our commercial rice sales will probably not show any immediate or spectacular rise. Instead, we may find that by starting now to capitalize on the existent situation through market development activities we will have consistent gains which, over a period of time, will have real significance for our rice industry.

Ceylon Trades Rubber For Rice From China

Ceylon and Communist China have negotiated a trade agreement to exchange 230,000 metric tons of Chinese rice for 30,000 tons of Ceylonese rubber. Deliveries will be made this year. An additional 25,000 tons of rubber are to be supplied Red China under loan financing.

Denmark and Russia Agree on Trade

Russia and Denmark have agreed to an exchange of goods with an equivalent value of $55 million to $60 million each way between June 7, 1959 and May 31, 1961. Danish exports to the Soviet Union will consist mainly of ships, industrial and marine equipment, manufactured goods, meat, butter, cheese, and salted herring. In return, Russia will ship grains, coal, coke, oil, timber, and oilcakes to Denmark. The 2-year grain quota calls for deliveries of 80,000 metric tons of wheat and 40,000 of feed grains.

New Tariffs Decrease Major Guatemalan Imports

Guatemala's farm imports have dropped as a result of new tariffs levied at the beginning of this year. Hardest hit was lard. The duty on hog lard was more than doubled and a 10-percent ad valorem charge was also added. Imports are down to almost half of totals this time last year. The United States, with competitive prices, holds the major share of the Guatemalan lard market.

Wheat and flour, suffering under a doubled duty and added 10 percent ad valorem tax, have shown only moderate declines so far. Egg imports, on the other hand, have risen despite very heavy duty levies plus the ad valorem tax. Increased egg imports are attributed to high local egg prices.

Greece Becomes Wheat Exporter

Greece sold its first substantial quantity of wheat abroad recently. The sale—150,000 tons—was authorized by the Ministry of Commerce to reduce the surplus of low-protein, Soft Red winter wheat accumulated under the high price supports for home grown wheat in recent years. A third of the exports went to the United Kingdom, another third went to the Continent, and the rest to Brazil. About 90 percent of the shipments were of soft wheat and the remainder were durum; over two-thirds was 1958 crop wheat, while the rest was from the 1957 crop.

Since late 1958, Greece has prohibited the use of imported wheat for bread flour except for small quantities of U.S. hard winter wheat bought under P.L. 480 for luxury types of flour.

The Greek Government hopes to discourage further expansion in wheat acreage and to increase output of feed grains and other feedstuffs.

Filled Milk Replacing Evaporated in Philippines

U.S. sales of evaporated milk to the Philippines have dropped sharply in the past 2 years because of increased use of canned filled milk made from coconut oil and nonfat dry milk. Filled milk was first produced in the Philippines in September 1957. That year Philippine imports of evaporated milk dropped about 10 percent. There was a further sharp decline in 1958 and sales so far this year show that 1959 totals will be down substantially from the 1958 figure.

After 1960, evaporated milk imports may be no more than 10 to 15 percent of the annual average for 1953-57, which was about 135 million pounds. Although U.S. brands may constitute most of the total, the volume will be a drastic reduction in total U.S. evaporated milk exports to that market.

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Yugoslavia Purchases Communist Soybeans

Yugoslavia bought 21,000 metric tons of soybeans from Communist China for delivery during the second quarter of this year. The purchase is reportedly for crushing in Yugoslavia to meet the growing demand for oilseed meals.

Last year the official Yugoslav oilseed trading agency bought 10,000 tons of soybeans from Communist China, but resold them to the United Kingdom and they never entered Yugoslavia. Actual Yugoslavia imports last year totaled 6 tons—5 from Hungary and 1 from the United States.

British Guiana Liberalizes Imports

British Guiana has announced a sweeping liberalization of import controls. The open general license for imports from countries other than Japan, Yugoslavia, the Commonwealth area, and the Iron Curtain countries has been expanded broadly to include all but a few items. Those remaining under control include cattle, rice, corn, coffee, and tobacco. Controls on these have been retained to protect local industry, or because of local legislation and government policies.

British Guiana will no longer have to work within specific allocations of hard currencies, including dollars. In addition, limited trade with some Communist countries has been authorized.

New Zealands Sells More Butter to South Africa

The New Zealand Dairy Products Marketing Commission recently sold about 4 million pounds of butter to South Africa. This represents the largest sale of butter to South Africa by New Zealand in 20 years. The country has been strengthening its contacts with Africa and Asia in an effort to increase sales outside the United Kingdom.

Malaya Drops Restrictions On Most Dollar Imports

Beginning in August Singapore and the Federation of Malaya removed import restrictions on all but 14 items from the United States and other dollar areas. Also, re-exports of dollar goods from Singapore and Penang will be allowed. The resulting increase in direct trade with the United States is expected to improve the market for some farm products. Last year 73 percent of Malaya's farm imports from the United States were shipped through Hong Kong, thereby adding about 5 percent to the cost of many items.

Special licenses are still needed to import fresh eggs, hides and skins, live poultry, meats (except canned), plants, and rice. However, exporters anticipate free granting of specific licenses for most of these.

Egypt Plans Large Dairy Cattle Imports

Egypt's Ministry of Agriculture plans to import 2,000 cows and 1,000 bulls for breeding during the next 5 to 10 years. The animals will be used to upgrade native dairy cattle.

Egypt wants high-producing cattle that are disease-resistant, heat-tolerant, and serve a dual purpose if possible. Some of the animals will be kept as purebreds, and others will be crossbred to Baladi cattle. The imported cattle will be placed in five or six breeding stations scattered throughout the Nile farming area.

The Ministry has suggested that any U.S. cattle imported be bought from the Southern part of the country.